

Drop in Article

New Suspicious Activity Report Form Now Available for Money Service Businesses

A new Suspicious Activity Report (SAR) form is now available for Money Service Businesses. Money Service Businesses must stop using the interim Bank SAR (Form TD F 90-22.47) and start to report suspicious activity using the new SAR-MSB form.

Who Must File a SAR

The Bank Secrecy Act requires certain money service businesses (MSB) to report suspicious activity. The MSBs required to report suspicious activities are:

1. **Money transmitters**
2. **Money order** - issuers, sellers and redeemers
3. **Travelers check** - issuers, sellers and redeemers
4. **U. S. Postal Service**

Any other MSB may voluntarily file a report of suspicious activity.

When to File a SAR

A SAR must be filed when a transaction or pattern of transactions conducted by, at or through the MSB is both suspicious and \$2,000 or more.¹

MSBs must file the form within 30 days after becoming aware of a suspicious transaction.

A copy of the filed form and supporting documentation must be retained for five years from the date of filing.

Filing a Suspicious Activity Report

Form TD F 90-22.56, the new Suspicious Activity Report by Money Services Business SAR-MSB), is available for immediate use. MSBs must stop using the interim Bank SAR (Form TD F 90-22.47) and start to report suspicious activity by filing the new SAR-MSB form.

The new SAR-MSB form is available as:

- The form only
- Continuation sheet
- Instructions

¹ A \$5,000 threshold applies of issuers of money orders and travelers checks when the suspicious nature of the transaction(s) is determined from a review of clearance records or other similar records.

To obtain these items, visit one of the following web sites:

- MSB web site - www.msb.gov:
SAR-MSB - TD F 90-22.56 (form only)
SAR-MSB Continuation Sheet (TD F 90-22.56A)
SAR-MSB Instructions (TD F 90-22.56B)
- FinCEN web site - www.treas.gov/fincen
- IRS web site - www.irs.gov

OR call the IRS Forms Distribution Center 1-800-829-3676.

If you have any questions, please call 1-800-800-2877.

Suspicious

A transaction must be reported if the MSB knows, suspects or has reason to suspect that the transaction or a pattern of transactions:

1. Involves funds derived from illegal activity or is intended or conducted in order to hide or disguise funds or assets derived from illegal activity; or is
2. Designed to evade the requirements of the Bank Secrecy Act, whether through structuring or other means; or,
3. Serves no business or apparent lawful purpose, and the reporting business knows of no reasonable explanation for the transaction after examining all available facts

Disclosure Prohibited

MSBs and their employees are prohibited from disclosing to a person involved in the transaction that a suspicious activity report has been filed. Further, each MSB or MSB employee is protected from civil liability for any SAR filed.

Penalties

Civil and criminal penalties may be imposed for willful violation of the SAR filing requirement.